



December 12, 2014

To: Executive Board

Subject: **Option Exercise – Pomona Operations and Maintenance Agreement No. 12-001**

Recommendation

Authorize the Executive Director to exercise the first two-year option on agreement No. 12-001 with First Transit, Inc. for transit services operated out of Foothill Transit's Pomona facility.

Background

First Transit has provided transit services at Foothill Transit's operations and maintenance facility in Pomona for a number of years. Our current agreement with First Transit took effect on February 4, 2012 with a base term of just under three and a half years. That base term expires on June 30, 2015, coinciding with the end of the Foothill Transit fiscal year. There are three two-year options available.

The recommendation to exercise the first of the three available two-year options is based on First Transit's consistent performance to date. First Transit continues to provide service that complies with the terms of our operations and maintenance agreement and, in fact, their maintenance efforts on the Foothill Transit fleet assigned to them is consistently regarded as superior by the third-party contractor engaged to perform quarterly inspections of the fleet. Additionally, First Transit has consistently met and surpassed Foothill Transit's aggressive safety and mechanical coach maintenance targets. First Transit continues to be a strong and reliable partner in the provision of Special Service to the Rose Bowl each year.

Budget Impact

The annual value of the Pomona Operations and Maintenance contract is approximately \$24.8 million and the agreement incorporates an annual cost increase capped by the Los Angeles area CPI. Funds for maintenance and operations are programmed annually into Foothill Transit's Budget and Business Plan.

Sincerely,

Kevin McDonald
Deputy Executive Director

Doran J. Barnes
Executive Director